



Committee On Finance

Chuck Grassley, Chairman

Max Baucus, Ranking Member

NEWS RELEASE

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(WASHINGTON, D.C.) Last October, U.S. Senate Finance Committee Chairman Charles Grassley and Ranking Member Max Baucus issued letters to both the General Accounting Office (GAO) and the Joint Committee on Taxation requesting reports on the economy of and tax policy affecting Puerto Rico. In the letters, the Senators asked for reports regarding the impact of U.S. federal tax policy on Puerto Rico, an analysis of the economic policy implications of the legislative options, revenue costs of such options and a comparison of the options to current law relative to the states, the District of Columbia and other U.S. territories. Grassley and Baucus asked for a complete report from the GAO by June 30, 2004, followed by a report from the Joint Committee on Taxation within two weeks.

Due to the large volume of information being collected to satisfy this request, the Senators' deadline of June 30, 2004 has been extended. Numerous organizations, including, the Internal Revenue Service, the United States Census Bureau, and the government of Puerto Rico are working with GAO and Joint Committee on Taxation to provide comprehensive data. The United States Census Bureau will be providing GAO data from the Economic Census of Puerto Rico, which will become available in late 2004. Once the GAO report is issued, the Joint Committee on Tax will be given additional time to complete its report. After the reports are completed, Senator Grassley and Senator Baucus look forward to addressing the reports issued by GAO and the Joint Committee on Taxation.

The full text of the letters issued by Senator Grassley and Senator Baucus to GAO and the Joint Committee on Tax are available through the following link:

<http://finance.senate.gov/press/Bpress/2003press/prb101603.pdf>

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